

RECEIVED

DEC 17 A 9 24

Our Ref: CSA/CPA6/5(e)

Cathay Pacific Airways Limited
 Company Secretary's Department
 35th Floor, Two Pacific Place
 88 Queensway, Hong Kong
 Telephone : (852) 2840 8869
 Facsimile : (852) 2845 5445
 www.cathaypacific.com

7th December 2007**By Registered Airmail**

Securities and Exchange Commission
 Office of International Corporate Finance
 Division of Corporation Finance
 450 Fifth Street, N.W.
 Washington, DC 20549
 U.S.A.



07028669

SUPPL

Dear Sir/Madam,

Cathay Pacific Airways Limited (the "Company")
File No. 82-1390

Pursuant to our obligation under Rule 12g3-2(b) of the Securities and Exchanges Act of 1934, we are pleased to enclose herewith a copy of the Company's announcement published on the websites of Hong Kong Exchanges and Clearing Limited and of the Company on 6th December 2007.

Yours faithfully,
 For CATHAY PACIFIC AIRWAYS LIMITED

PROCESSED

DEC 20 2007

THOMSON
FINANCIAL

B

David Fu
 Company Secretary

FL/wc
 Encl.

c.c.: Ms. Judy Kang, ADR Relationship Management - Asia/Pacific, The Bank of New York (w/e, by e-mail: judykang@bankofny.com)
 Ms. Kammy Yuen / Ms. Anna Jia, Vice President, The Bank of New York, H.K. (w/e, by hand)



member

P:\WC\CPA6-5\Letter\CPA6-5-General Correspondence.doc

Registered office: 35th Floor, Two Pacific Place, 88 Queensway, Hong Kong

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

CATHAY PACIFIC AIRWAYS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 293)

Announcement

Discloseable Transaction: Purchase of 8 Airbus A330 Aircraft

CPAS has entered into the Purchase Agreement with Airbus Company, pursuant to which CPAS has agreed to purchase the Airbus Aircraft from Airbus Company.

The Transaction constitutes a discloseable transaction of the Company under the Listing Rules. A circular containing the information required under the Listing Rules will be dispatched to shareholders as soon as practicable.

Background

On 6th December 2007, CPAS and Airbus Company entered into the Purchase Agreement, pursuant to which CPAS has agreed to purchase the Airbus Aircraft from Airbus Company.

The particulars of the Transaction are summarised as follows:

Agreement: Purchase Agreement dated 6th December 2007

Parties: (i) CPAS
(ii) Airbus Company

Aircraft to be acquired:
Airbus Aircraft, i.e. 8 Airbus A330 aircraft.

Consideration:

The aircraft basic price comprises the airframe price, optional specifications price and engine price. The aircraft basic price of the Airbus Aircraft in aggregate is approximately US\$1.7 billion. With regard to the Airbus Aircraft, Airbus Company has granted to CPAS significant price concessions. Such price concessions were determined after arm's length negotiations between the parties and as a result, the actual consideration for the Airbus Aircraft is lower than the aircraft basic price mentioned above. The Transaction was negotiated and entered into in accordance with customary business practice. The Directors confirm that the extent of the price

concessions granted to CPAS in the Transaction is comparable with the price concessions that CPAS had obtained in each of the Previous Aircraft Purchase. The Company believes that there is no material impact of the price concessions obtained in the Transaction on the unit operating cost of the Company's fleet. It is normal business practice of the global airline industry to disclose the aircraft basic price, instead of the actual price, for aircraft acquisitions. Disclosure of the actual consideration will result in the loss of the significant price concessions and hence a significant negative impact on the Company's cost for the Transaction and will therefore not be in the interest of the Company and the shareholders as a whole. The Company has applied to the Stock Exchange for a waiver from strict compliance of Rules 14.58(4) and 14.64(4) of the Listing Rules in respect of disclosure of the actual consideration of the Airbus Aircraft.

Payment and delivery terms:

The consideration for the purchase of each of the Airbus Aircraft is payable in cash in six instalments, with the first five instalments to be paid prior to delivery of each aircraft and the balance, being a substantial portion of the consideration, to be paid upon delivery of the aircraft. The Company is expecting to take delivery of the Airbus Aircraft before the end of 2012.

Source of funding:

The Transaction will be funded through commercial bank loans, other debt instruments of the Company and/or cash generated from the Company's business operations.

Reasons for, and benefits of, the Transaction

The Airbus Aircraft will replenish and expand the fleet capacity of the Company. They will principally serve destinations in the Asia Pacific region. The Company expects that the Airbus Aircraft will deliver improved payload capability at competitive operating costs whilst providing high standards of passenger comfort and safety. The Directors consider that the terms of the Transaction are fair and reasonable and in the interests of the shareholders as a whole.

General

The Company confirms that, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Airbus Company and its ultimate beneficial owner are third parties independent of and not connected with Cathay Pacific or any of its connected persons.

As the relevant percentage ratio under Rule 14.07 of the Listing Rules for the Transaction is more than 5% but less than 25%, the Transaction constitutes a discloseable transaction, and is therefore not subject to approval by the Company's shareholders under the Listing Rules.

A circular containing the information required under the Listing Rules in relation to the Transaction will be dispatched to shareholders as soon as practicable.

Directors

As at the date of this announcement, the Directors of the Company are:

Executive Directors: Christopher Pratt (Chairman), Robert Atkinson, John Slosar, Augustus Tang and Tony Tyler;

Non-Executive Directors: Philip Chen, Martin Cubbon, Henry Fan, James Hughes-Hallett, Li Jiayang, Vernon Moore, Robert Woods, Zhang Lan and Leslie Chang (Alternate Director to Henry Fan); and

Independent Non-Executive Directors: Peter Lee, Raymond Or, Jack So and Tung Chee Chen.

Definitions

| | |
|---|---|
| "2005 Purchase Agreement" | The aircraft purchase agreement dated 14th December 2005 entered into by CPAS and Boeing Company pursuant to which CPAS has agreed to purchase and Boeing Company has agreed to sell certain Boeing 777-300ER aircraft. |
| "Airbus Aircraft" | 8 Airbus A330 aircraft to be purchased by CPAS pursuant to the Purchase Agreement. |
| "Airbus Company" | Airbus S.A.S., legal successor of Airbus SNC, formerly known as Airbus GIE, a société par actions simplifiée duly created and existing under the French law, the principal activity of which is aircraft manufacturing. |
| "Aircraft General Terms Agreement" | The aircraft general terms agreement dated 14th December 1999 between CPAS and Airbus Company pursuant to which the general terms and conditions for the subsequent sale of Airbus A330-300 aircraft by Airbus Company to CPAS are set out. |
| "Boeing Company" | The Boeing Company, a corporation organised and existing under the General Corporation Law of the State of Delaware, U.S.A., the principal activity of which is aircraft manufacturing. |
| "Cathay Pacific" or "Company" | Cathay Pacific Airways Limited, the principal activity of which is the operation of scheduled airline services. |
| "CPAS" | Cathay Pacific Aircraft Services Limited, a company incorporated in the Isle of Man and wholly owned by Cathay Pacific, the principal activity of which is to act as an aircraft acquisition facilitator. |
| "Directors" | The directors of the Company. |
| "Listing Rules" | The Rules Governing the Listing of Securities on the Stock Exchange. |

“Previous Aircraft Purchase”

The acquisition by CPAS of:

- (a) 12 Boeing 777-300ER aircraft pursuant to the 2005 Purchase Agreement, in respect of which the Company published an announcement dated 14th December 2005 and dispatched a circular to shareholders dated 22nd December 2005;
- (b) 2 Boeing 777-300ER aircraft pursuant to a supplemental agreement dated 1st June 2006 to the 2005 Purchase Agreement, in respect of which the Company published an announcement dated 1st June 2006 and dispatched a circular to shareholders dated 8th June 2006;
- (c) 6 Boeing 747-400ERF freighters pursuant to a purchase agreement dated 22nd June 2006 between CPAS and Boeing Company, in respect of which the Company published an announcement dated 22nd June 2006 and dispatched a circular to shareholders dated 29th June 2006;
- (d) 5 Boeing 777-300ER aircraft pursuant to a supplemental agreement dated 7th August 2007 to the 2005 Purchase Agreement, in respect of which the Company published an announcement dated 7th August 2007 and dispatched a circular to shareholders dated 22nd August 2007;
- (e) 7 Boeing 777-300ER aircraft pursuant to a supplemental agreement dated 8th November 2007 to the 2005 Purchase Agreement, in respect of which the Company published an announcement dated 8th November 2007 and dispatched a circular to shareholders dated 21st November 2007; and
- (f) 10 Boeing 747-8 freighters pursuant to a purchase agreement dated 8th November 2007, in respect of which the Company published an announcement dated 8th November 2007 and dispatched a circular to shareholders dated 21st November 2007.

“Purchase Agreement”

The supplemental agreement dated 6th December 2007 to the Aircraft General Terms Agreement pursuant to which CPAS has agreed to purchase and Airbus Company has agreed to sell 8 Airbus A330 aircraft.

“Stock Exchange”

The Stock Exchange of Hong Kong Limited.

“Transaction”

The acquisition by CPAS of the Airbus Aircraft pursuant to the Purchase Agreement.

By Order of the Board
Cathay Pacific Airways Limited
David Fu
Company Secretary
Hong Kong, 6th December 2007

END